

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY  
SPECIAL BOARD AND EXECUTIVE AND FINANCE COMMITTEE MEETING  
MINUTES  
MONDAY, OCTOBER 28, 2013  
SAN DIEGO INTERNATIONAL AIRPORT  
BOARD ROOM**

**CALL TO ORDER:**

Chair Gleason called the Special Board and Executive and Finance Committee meeting to order at 9:05 a.m., Monday, October 28, 2013, in the Board Room of the San Diego International Airport, Commuter Terminal, 3225 N. Harbor Drive, San Diego, CA 92101.

**PLEDGE OF ALLEGIANCE:** Board Member Cox led the Pledge of Allegiance.

**ROLL CALL:**

***Board***

Present: Board Members: Alvarez, Cox, Gleason, Hubbs,  
Robinson, Smisek

Absent: Board Members: Berman (Ex-Officio), Boland, Desmond,  
Farnam (Ex-Officio), Ortega (Ex-Officio),  
Sessom

***Executive Committee***

Present: Committee Members: Gleason, Robinson, Smisek

Absent: Committee Members: None

***Finance Committee***

Present: Committee Members: Alvarez, Cox, Hubbs, Robinson

Absent: Committee Members: Sessom

Also Present: Thella F. Bowens, President/CEO; Breton Lobner, General  
Counsel; Lorraine Bennett, Assistant Authority Clerk II; Sara Real,  
Assistant Authority Clerk I

*Board Member Alvarez arrived at 9:10 a.m.*

**FINANCE COMMITTEE NEW BUSINESS**

**1. REVIEW OF THE UNAUDITED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2013 AND 2012:**

Vernon Evans, Vice President, Finance/Treasurer, and Kathy Kiefer, Director, Accounting, provided a presentation on the Unaudited Financial Statements for the Three Months Ended September 30, 2013 and 2012, which included Enplanements, Gross Landing Weight Units, Car Rental License Fees, Parking Revenue, Operating Revenues for the Month Ended September 30, 2013 (Unaudited), Operating Expenses for the Month Ended September 30, 2013 (Unaudited), Financial Summary for the Month Ended September 30, 2013 (Unaudited), Nonoperating Revenues and Expenses for the Month Ended September 30, 2013 (Unaudited), Monthly Operating Revenue FY 2014, Total Year to Date (YTD) Parking Revenue, Short Term YTD Parking Revenue, Long Term YTD Parking Revenue, Monthly Operating Expenses FY 2014, and Statements of Net Position (Unaudited).

RECOMMENDATION: Forward to the Board for acceptance.

**2. REVIEW OF THE AUTHORITY'S INVESTMENT REPORT AS OF SEPTEMBER 30, 2013:**

Scott Brickner, Director, Financial Planning and Budget, provided a presentation on the Authority's Investment Report, which included the Total Portfolio Summary, Portfolio Composition by Security Type, Portfolio Composition by Credit Rating, Portfolio Composition by Maturity Distribution, Benchmark Comparison, Detail of Security Holdings, Portfolio Investment Transactions, Bond Proceeds Summary, and Bond Proceeds Investment Transactions.

RECOMMENDATION: Forward to the Board for acceptance.

**ACTION: Moved by Board Member Robinson and seconded by Board Member Hubbs to accept the staff's recommendation for Items 1 and 2. Motion carried unanimously, noting Board Member Sessom as ABSENT.**

**3. RENTAL CAR CENTER BOND ISSUANCE UPDATE:**

Vernon Evans, Vice President, Finance/Treasurer, provided a presentation on the Rental Car Center Bond Issuance Update, which included the Rental Car Center (RCC) Project Costs and Funding Overview, Customer Facility Charge (CFC) Financing Overview, Characteristics of the Proposed CFC Financing, Market Conditions, CFC Bond Credit Issues, and CFC Bond Calendar.

RECOMMENDATION: Receive the report.

**ACTION: Moved by Board Member Hubbs and seconded by Board Member Robinson to accept staff's recommendation. Motion carried unanimously, noting Board Member Sessom as ABSENT.**

**4. CONCESSION DEVELOPMENT PROGRAM UPDATE:**

Nyle Marmion, Manager, Concession Development, provided a presentation on the Concession Development Program Update, which included Construction Statistics, First Quarter Fiscal Year 2014 Actual vs Budget Food & Beverage/Retail Revenues, Concession Development Program Marketing Action Plan, and Worker Retention Update.

In response to Board Member Cox regarding the 296 eligible employees on the worker retention list, Thella F. Bowens, President/CEO, stated that staff will continue to monitor the worker retention list and be as proactive as possible with the holiday season approaching.

In response to Board Member Alvarez regarding the number of new positions as a result of the new concessions, Mr. Marmion stated that there are approximately 1200 positions projected at full program build out by March 2014.

In response to Chair Gleason regarding the revenue numbers and feedback he has received from concessionaires about the performance of their store, Ms. Bowens stated that the performance of each vendor varies by location, but noted that the Authority's budget numbers reflect the proforma established in the Requests for Proposals. She further stated that staff is working with the concessionaires to ensure that everyone is successful.

RECOMMENDATION: Receive the report.

**ACTION: Moved by Board Member Robinson and seconded by Board Member Hubbs to accept staff's recommendation. Motion carried unanimously, noting Board Member Sessom as ABSENT.**

**EXECUTIVE COMMITTEE NEW BUSINESS**

**5. APPROVAL OF MINUTES:**

RECOMMENDATION: Approve the minutes of the September 23, 2013, regular meeting.

**ACTION: Moved by Board Member Robinson and seconded by Board Member Smisek to accept staff's recommendation. Motion carried unanimously.**

6. **PRE-APPROVAL OF TRAVEL REQUESTS AND APPROVAL OF BUSINESS AND TRAVEL EXPENSE REIMBURSEMENT REQUESTS FOR BOARD MEMBERS, THE PRESIDENT/CEO, THE CHIEF AUDITOR AND GENERAL COUNSEL:**  
RECOMMENDATION: Pre-approve travel requests and approve business and travel expense reimbursement requests.
- ACTION: Moved by Board Member Smisek and seconded by Board Member Robinson to accept staff's recommendation. Motion carried unanimously.**

**REVIEW OF FUTURE AGENDAS**

7. **REVIEW OF THE DRAFT AGENDA FOR THE NOVEMBER 7, 2013, BOARD MEETING:**  
Thella F. Bowens, President/CEO, provided an overview of the draft agenda for the November 7, 2013 Board Meeting.
- In response to Chair Gleason regarding receiving a full update, discussion and presentation on the Disadvantaged Business Enterprise Program Plan, Ms. Bowens noted that the discussion would take place at a future Board meeting.
- Chair Gleason requested a written update from the General Counsel's office regarding the status of Closed Session items.
8. **REVIEW OF THE DRAFT AGENDA FOR THE NOVEMBER 7, 2013, AIRPORT LAND USE COMMISSION MEETING:**  
Thella F. Bowens, President/CEO, provided an overview of the draft agenda for the November 7, 2013 Airport Land Use Commission meeting.
- In response to Board Member Robinson regarding clarification as to when the San Diego International Airport Airport Land Use Compatibility Plan would be presented to the Board, Ms. Bowens stated that staff would review the calendar and provide an update to the Board. Board Member Robinson requested that staff notify Civic San Diego.
- ACTION: Moved by Board Member Smisek and seconded by Board Member Robinson to accept Items 7 and 8. Motion carried unanimously.**

### **COMMITTEE MEMBER COMMENTS**

Board Member Cox noted that the December 20, 2013 Executive Committee meeting is scheduled on the same day as the SANDAG Board Meeting. Chair Gleason stated that staff would poll the Board for an alternate date.

Chair Gleason requested that the Clerk's office circulate the proposed 2014 Board and Committee meeting calendar to the Board for review prior to the next Executive/Finance Committee meeting.

Diana Lucero, Director, Public, Customer & Community Relations, noted that the Rental Car Center groundbreaking ceremony will be on October 29, 2013 at 10:00 a.m.

### **BOARD BUSINESS**

**CLOSED SESSION:** The Board recessed into Closed Session at 10:04 a.m. to discuss Item 9.

9. **CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION:**  
Significant exposure to litigation (Cal.Gov.Code §54956.9(d))  
Number of Cases: 1  
Individual Members Adan Topete, Derrick Phillips, Manuel Aguilar, Jose Topete, Alexander Weir, Candido Bautista, Francisco Arrendondo, Juan Murillo and Laborers' International Union of North America Local Union No. 89, Applicants – Application to Stay Implementation of the September 5, 2013 FONSI/ROD for San Diego International Airport Master Plan Northside Improvements Project- Application to the United States Department of Transportation, Federal Aviation Administration

**REPORT ON CLOSED SESSION:** The Board reconvened into open session at 10:24 a.m. There was no reportable action.

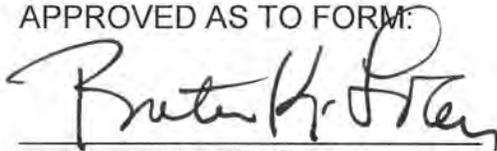
**ADJOURNMENT**

The meeting was adjourned at 10:25 a.m. The next meeting of the Executive and Finance Committee will be held on Wednesday, December 19, 2013, at 10:00 a.m. in the Board Room at the San Diego International Airport, Commuter Terminal, 3225 N. Harbor Drive, San Diego, CA 92101.

APPROVED BY A MOTION OF THE EXECUTIVE COMMITTEE OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY THIS 21<sup>ST</sup> DAY OF NOVEMBER, 2013.

  
LORRAINE BENNETT  
ASSISTANT AUTHORITY CLERK II

APPROVED AS TO FORM:

  
BRETON K. LOBNER  
GENERAL COUNSEL